



United States

CONSUMER PRODUCT SAFETY COMMISSION

Washington, D.C. 20207

CPSC/OPS/STAFF SECRETARY

APR 15 1998 P 4:33 Office of the Executive Director

MEMORANDUM

DATE: April 15, 1998

TO : The Commission

Through: Sadye E. Dunn, Secretary *S. Dunn*  
Jeffrey Bromme, General Counsel *J. Bromme*

FROM : Pamela Gilbert *PG*  
Executive Director

SUBJECT: 1998 Midyear Review

This memorandum presents a status report on the use of Commission resources and the progress of planned projects in the first half of fiscal year 1998. This memo also presents staff proposals for adjustments in CPSC's operating plan for the second half of the year.

**Resource Status**

Agency spending in total through the first half of the fiscal year was 49% of the annual plan. Because of lower than planned employment and savings in contract funds, we have about \$550,000 available for possible reallocation. This is the same amount as we had last year at midyear.

Current recruitment actions should bring us close to the 480 FTE target before the end of the year. Current employment is about 461 FTEs with active recruitment for about 20 FTEs, primarily for the technical directorates, compliance and the field. Of the 20 people who left the agency so far this year, 11 were retirements. So far, through careful planning and a *tremendous effort* by *staff*, there have been no substantial project delays because of vacancies.

Attachment A contains a summary of our resource status.

**Project Status**

We have reviewed agency projects in terms of progress to date, Commission direction, new information, and opportunities to advance safety initiatives. Program managers report all projects, including projects supporting Results Act performance goals, are on schedule.

NOTE: This document has not been reviewed or accepted by the Commission.

Initial *rh* Date *4/14/98*

CPSC 6 (b)(1) Cleared  
*[Signature]*  
No Mfrs/Prvblrs of  
Products Identified  
Excepted by \_\_\_\_\_  
Firms Notified, \_\_\_\_\_

We propose only one project change. Under the Hazard Assessment and Reduction program, staff proposes deletion of the children's anthropometric data update. In 1997, the agency funded an evaluation study to determine whether children's dimensions have changed since the original anthropometric data were collected in the 1970's. Staff also retained outside experts to review the results of the evaluation study. The evaluation study found that there has been little or no practical change in the measurements over time. Based on these efforts and analysis by CPSC staff, we do not believe that a full anthropometry study as funded in 1998 is needed at this time. Thus, funding of \$200,000 is now available for other use. This amount is included in the \$550,000 available funds discussed earlier.

In the Compliance program, the Special Investigations Unit continues to contribute to Section 15 success. The Fast Track Recall program continues to be successful. Staff issued all field compliance programs and work is proceeding on schedule. The Office of Compliance reorganized on a product team basis with no disruption in work.

We continue to be successful in getting our safety messages to the public. The consumer information video news release (VNR) for the Grandparents/Grandchild safety campaign was seen by 16 million TV viewers and the Graco Carrier/Swing VNR was seen by almost 19 million TV viewers. The Hotline has seen a record increase in the number of calls. Both the Curtain Christmas Light recall and the Evenflo Carrier recall generated over 6,000 Hotline calls each in one day. Preparations are underway by the Office of Compliance, Public Affairs, Field Operations, and Information Services to conduct a larger version of the very successful 1997 Recall Roundup campaign. We expect all 50 states to participate and to receive coverage by all the major networks. The CPSC website is also experiencing a rapid increase in use: the total number of visits has quadrupled over the past year to 400,000 per month. The National Injury Information Clearinghouse has responded to 2,681 product requests for information thus far this year.

This time last year, we were in the midst of co-locating the Chemistry Laboratory at the Engineering Laboratory site. This project was successfully completed and the staff at the laboratories is very pleased with the outcome.

Program managers and staff identified database needs and negotiated priorities in the Fall. Work is now following the detailed plan established at that time. I want to report that we are making good progress in meeting our database programming needs within the limited funds available. This plan refines our databases and lays the groundwork for future integration.

We are also making good progress in selecting a new accounting system, and final assessment work supporting the signing of a cross-servicing agreement is almost complete. The new system is expected to be in place by this time next year. In addition, the agency successfully met new requirements to place Commission information on the Internet as mandated by last year's amendments to the Freedom of

Information Act. And finally, as we have been reporting to OMB, the agency is on-track to making its critical systems and equipment Year 2000 compliant by this time next year.

## **New Funding Proposals**

Staff has suggested about \$1.4 million in new funding proposals designed to advance safety initiatives or otherwise improve agency operations. However, as we only have \$550,000 in available funds, we had to make choices. After review with staff, I propose that the Commission fund the following items:

Information technology must be a priority. The ability of staff to process information quickly and thoroughly is critical to our success. Our goal is to selectively integrate our internal databases, have more Commission materials available electronically, and allow our analysts and investigators to quickly process this data. We have benefitted from past investments to bring us the present infrastructure. However, our present infrastructure is five years old (a long time for this technology), and insufficient to handle the more advanced and productive information-processing demands of integrated databases. Thus, we have identified improvements totalling almost \$1 million in our information-processing capability. Given other needs, I have recommended funding about one-third (\$299,000) now to address the most pressing deficiencies.

The agency's Engineering and Chemistry laboratories play a critical role in supporting the work of our standards development and compliance efforts. I have recommended \$119,000 in equipment to make laboratory testing more efficient and faster.

Travel in support of program efforts is essential, particularly in development of standards and compliance cases. Thus, I recommend funding the request of \$30,000 for staff travel by the Office of Hazard Identification and Reduction (\$25,000) and the Office of Compliance (\$5,000).

As the Commission recognized in its 1999 budget request to Congress, investments in our staff are also critical to our continued success. I have recommended \$42,000 for additional training in critical skill areas. I have also recommended \$17,000 additional travel monies to attend professional meetings and conferences to further enhance staff skills and expertise. Even with this additional funding, our travel and training budget will be more than 20% lower than it was in 1995, before the 1996 budget cut.

Finally, I have recommended staff requests for items that are important to daily operations (such as specialized filing cabinets for PPPA samples) or to meet recent cost increases (such as increased telephone charges). These requests amount to \$43,000.

These recommendations for funding reflect the highest priorities of program managers. The items proposed for current funding are described in Attachment B. Non-funded items are described in Attachment C. These may be funded later in the year if additional monies become available.

### **Next Steps**

The staff will brief you on April 23. The staff and I are available to review these recommendations and related materials with you prior to this meeting. A separate decision meeting on the proposed actions, if necessary, is scheduled for April 30. Upon Commission action, the staff will begin to implement approved changes.

I will keep the Commission informed of staff progress on approved proposals. If additional funds become available by the end of year, I will apprise the Commission of new spending proposals.

Thank you for your consideration.

Attachment(s)

**1998 MIDYEAR REVIEW  
RESOURCE SUMMARY  
(dollars in thousands)**

	<u>Operating Plan</u>	<u>Current Estimate</u>	<u>Change</u>
<b>FTEs</b> . . . . .	480	475	-5
<b>Budget</b> . . . . .	\$45,591*	\$45,041	+\$550

\* Includes \$591 in reimbursement income beyond the \$45 million appropriation.

**Comments:**

- \$200 of projected surplus is due to lower than planned FTE use.
- \$350 of projected surplus in contracts results from \$200 savings with the deletion of the anthropometric data update and \$150 in undistributed NEISS overhead reimbursement income.

## 1998 MIDYEAR REVIEW PROPOSED NEW FUNDING

### Information Technology

<i>Purchase 67 computers to meet 25% of total replacement need</i> . . . . .	\$179
Upgrade <b>Network</b> Switching Devices to provide increased capacity for our network to meet increased demand by staff . . . . .	100
<i>Agency Budget System programming</i> funds to replace the existing aging budget development system with a modern database system that is more staff-friendly, offers faster responses, is easier to change, is less costly to operate, and offers staff more help in developing budgets . . . . .	20

### Laboratory Equipment

<i>Digestion containers</i> to speed up lead and other chemical testing . . . . .	4
Thermocouple <i>calibrator</i> to improve temperature measurements . . . . .	3
<i>Infrared analyzer</i> to replace aging equipment with more productivity . . . . .	50
<i>Velocity gage</i> to replace current aging helmet testing equipment . . . . .	3
<i>Modernization of the electric laboratory</i> to improve utilization and safety . . . . .	3
<i>Relocate Machine Shop</i> from office space to industrial space and improve working conditions . . . . .	10
<i>Generafor</i> to test differing power frequencies and voltages . . . . .	5
<i>Various electrical instruments</i> to improve electrical testing . . . . .	4
<i>Computer controlled drives</i> to speed up the fabrication of testing equipment . . . . .	25
<i>Relocation of air compressors</i> used in testing in buildings G and C to outside to improve working conditions and safety . . . . .	6
<i>Replace compressor</i> in building E . . . . .	2
<i>Consolidate laboratory video equipment</i> used to test and document results for more efficient operation . . . . .	4

### Travel

<i>Standards Development</i> Travel to include representing agency at standard setting meetings (Office of Hazard Identification and Reduction) . . . . .	25
<i>Case Development</i> Travel in support of compliance case development (Office of Compliance) . . . . .	5

### Training

<i>Professional Development</i> - Attendance by technical staff at professional meetings . .	14
<i>Professional Development</i> - Training (\$3) in various areas to strengthen skills of staff reassigned to new areas in the recent reorganization of the Office of Compliance, as well as travel (\$3) to attend trade shows and seminars . . . . .	6

<i>Failure modes and effects analysis</i> course for engineering and laboratory staff to understand process used by industry; this will strengthen agency interactions with industry on design issues. . . . .	5
<i>Appliance fire investigation</i> course for 25 engineering and laboratory employees . . . .	10
<i>Labtech Notebook computer software</i> training for laboratory staff to use in gathering data or computer analysis . . . . .	10
<i>Team building</i> for laboratory teams . . . . .	4
<i>Various</i> courses for the technical staff in such areas as project management, technical writing, chemistry, etc. . . . .	10

## Operating Costs

<i>Headquarters Laboratory Too/s</i> to expand capability of headquarters staff to do preliminary compliance assessment of hazard thereby speeding response time . . . . .	3
<i>Special heavy duty storage cabinets</i> to hold Poison Prevention Packaging Act samples and testing equipment . . . . .	4
<i>Increased telephone costs</i> as a result of rate increases by service provider authorized by the Telecommunications Act and increased volume of calls to the agency's Hotline . . . . .	33
<i>Spanish Translations</i> to continue effort begun last year to professionally translate CPSC safety information . . . . .	3
<b>Total</b> . . . . .	<b><u>\$550</u></b>

**1997 MIDYEAR REVIEW  
ADDITIONAL NEW FUNDING PROPOSALS**

If additional funds are identified, the following items will be considered for funding. The selection will be determined by what funds become available, what procurements are possible, and what other candidates develop. These items are not listed in priority order.

**Information Technology**

<i>Computers</i> . . . . .	\$186
Purchase 63 computers to meet a total of 50% of the replacement need.	
<i>Field Equipment</i> . . . . .	14
Printers, scanners, and faxes to replace aging equipment in the field.	
<i>Software</i> . . . . .	18
Various computer software purchases requested by HIR and Compliance.	
<i>Additional Computer Equipment and Software</i> . . . . .	442
Various items designed to enhance existing equipment and software, or replacement items such as printers, servers, etc.	

**Other**

<i>Product Population Model</i> . . . . .	185
To update theoretical basis for Economic's Product Population Model.	
<i>Laboratory Equipment</i> . . . . .	17
Purchase an age 3 anthropometric doll for hazard assessment of children's products (\$5); Torsional Fatigue Tester to expand the capability of existing equipment (\$12).	
<i>Hotline/Internet/Fax Outreach</i> . . . . .	6
This would repeat an effort done in 1995 and is designed to increase both consumer inquiries and product complaints.	

<b>Total</b> . . . . .	<u>\$868</u>
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